



# **SPORT LAW**

We know sport.



# OPERATIONS MANUAL TRAINING

Session #2: Operations Manual, Sections IX, X and XI  
Human Resources, Programs and Financial  
Management

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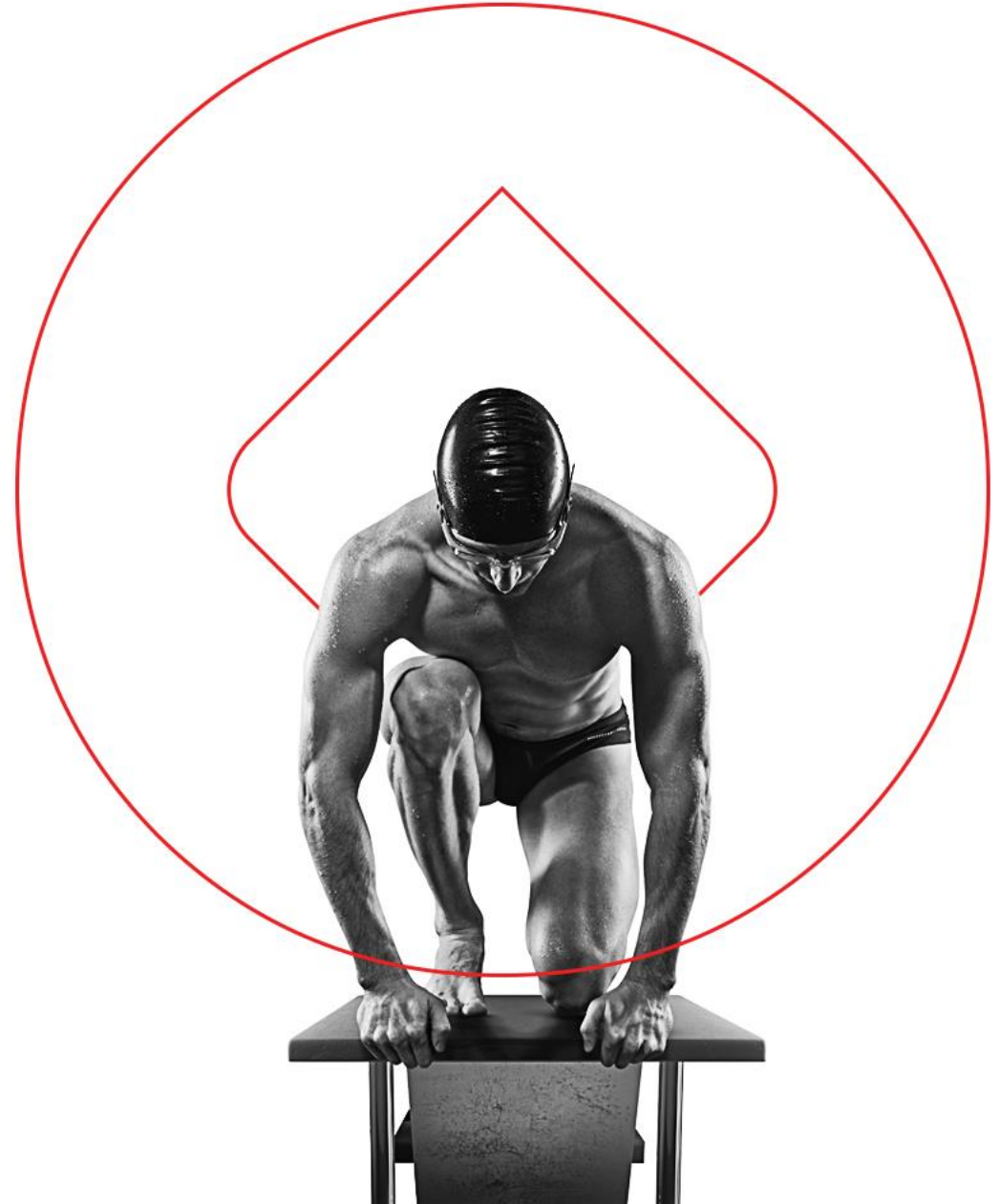
# LAND ACKNOWLEDGEMENT

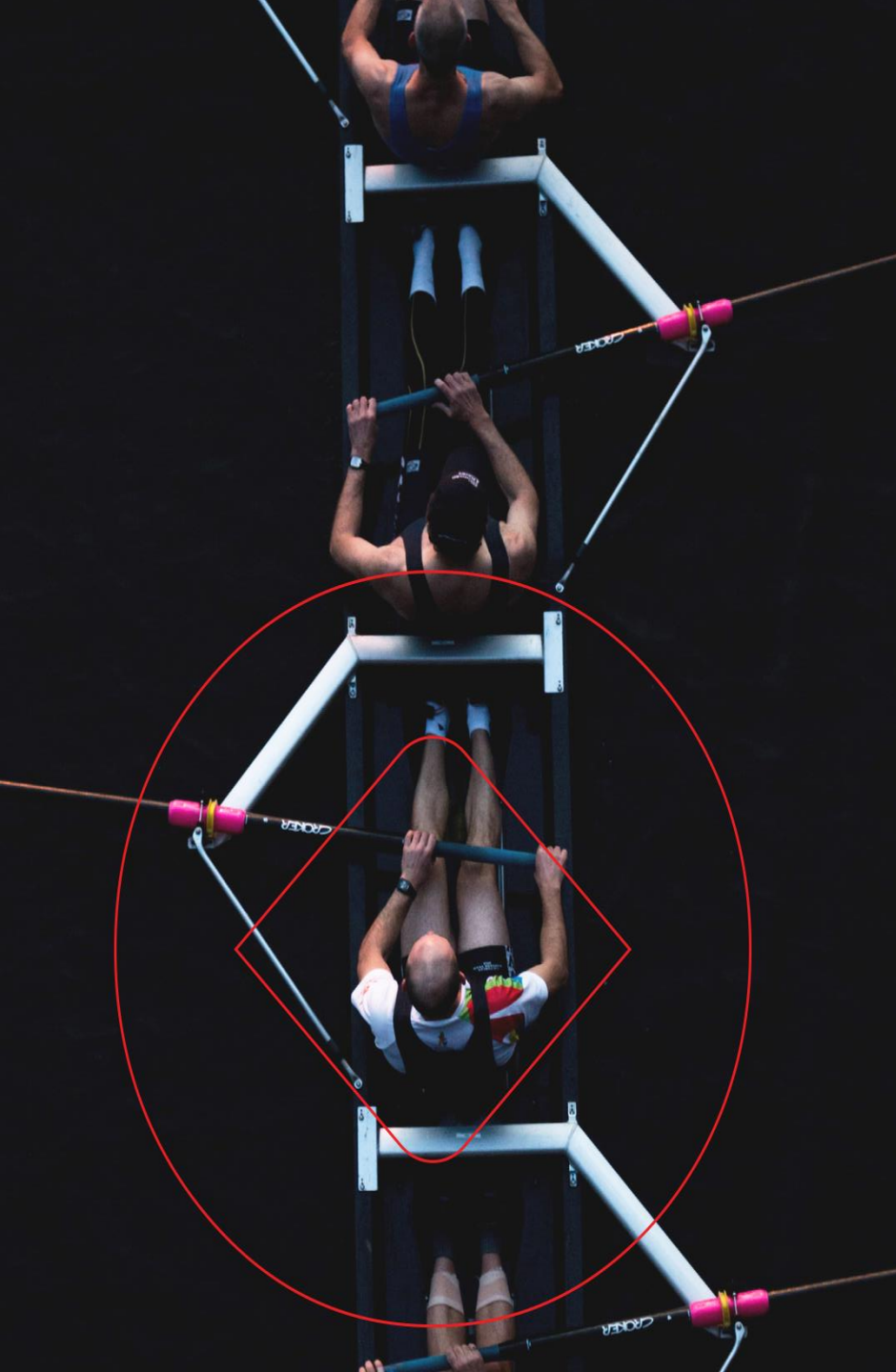
Opportunity to acknowledge Toronto, which is the traditional **territory** of many **nations** including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples.

# WHO WE ARE: SPORT LAW

Our team loves working with sport leaders and organizations to help you achieve clarity and purpose.

- ◊ Leadership, Integral Coaching and Human Relations
- ◊ Legal Services
- ◊ Governance and Risk Management Solutions
- ◊ Planning and Financial Solutions
- ◊ Communications and Marketing Solutions
- ◊ Inclusive Solutions





# AGENDA

- ◊ Welcome and Introductions
- ◊ Overview of training sessions
- ◊ Section IX – Human Resources and Volunteer Management
- ◊ Section X– Programming
- ◊ Section XI – Finances and Corporate Maintenance
- ◊ Fraud prevention tips
- ◊ Wrap up/Questions

# TRAINING SESSIONS

- October 11<sup>th</sup>: Overview, Using the Manual, Governance and Governing Documents; Roles and Responsibilities – Board, Members and Committees  
*Cheryl Humphrey*
- October 18<sup>th</sup>: Human Resource Management, Programming and Financial Management  
*Robin Witty*
- October 25<sup>th</sup>: Complaint Management – including Process and Relevant Policies  
*Will Russell*

# THE LENS: RISK MANAGEMENT

- ◊ The Alliance for Nonprofit Management defines risk management as, “[...] **a discipline for dealing with the possibility that some future event will cause harm.**
- ◊ It provides strategies, techniques, and an approach to recognizing and confronting any threat faced by an organization in fulfilling its mission.” Jul 17, 2019

# SECTION IX – HUMAN RESOURCES AND VOLUNTEER MANAGEMENT

## ◊ Risk for Volunteers/Employees

- ◊ Don't understand role/Out of scope
- ◊ Don't feel appreciated (overworked/undervalued/stressed)/Quit
- ◊ Behave inappropriately (complaints),
- ◊ Fraud



# SCREENING

- ◊ Volunteers/Employees
  - ◊ Undergo screening - Screening Policy (p 93-98)
  - ◊ Screen those in a position of trust/authority (finances, supervising vulnerable individuals)
  - ◊ Use the guide to determine who must be screened

# SCREENING

- ◊ Appendix A - Screening Requirements Matrix (p 99)
- ◊ Appendix B - Application form (p 100)
- ◊ Appendix C - Screening Disclosure Form (p 101-102)
- ◊ Appendix D - Orientation and Training Acknowledgement (p103)
- ◊ Appendix E – Request for Vulnerable Sector Check (p104)

# VOLUNTEER AGREEMENT

- ◊ Volunteer Agreement (p 105 – 107)
  - ◊ Screening required
  - ◊ Responsibilities
  - ◊ Confidential information/intellectual property
  - ◊ Any expenses covered
  - ◊ Length of service/expectations

# EMPLOYEE AGREEMENT

- ◊ Agreement – consult a lawyer
  - ◊ Adhere to provincial laws (notice/termination, overtime)
  - ◊ Include all necessary elements

# EMPLOYEE RISK MITIGATION

- ◊ Is there a salary grid?
- ◊ Is the job title consistent (Coordinator, Manager, Director)?
- ◊ Do they all your employees/contractors have an agreement/ job description?
- ◊ Does the contract clarify, compensation, vacation, sick days (all benefits)?

# SECTION 10: PROGRAMMING

- ◊ Jurisdiction
- ◊ Fundraising/Sponsorship
- ◊ Team selection

# JURISDICTION

- ◊ Jurisdiction

- ◊ Follow NSO or PTSO requirements:

- ◊ Game rules

- ◊ Coaching certification

- ◊ Local rules – just that local (don't affect NSO/PTSO)

# FUNDRAISING & SPONSORSHIP

- ◊ Fundraising policy (p 110)
- ◊ Sponsorship (restrictions-sponsors/logos)
- ◊ Funds reflected in financial statements



# TEAM SELECTION

- ◊ Selection policies for Individuals (p 111)/Teams p 117)
- ◊ Needs to be tailored to the organization/event
- ◊ Transparent
- ◊ Free from COI

# SECTION XI: FINANCES AND CORPORATE MAINTENANCE

# CORPORATE MAINTENANCE

- ◊ Ensure retention of required corporate documents, for required time
  - ◊ Governance – Letters Patent (forever!)
  - ◊ Financial files, 7 years
  - ◊ HR files, 3 years
- ◊ Ensure records are accessible to Directors
- ◊ Ensure records stored at Head office
- ◊ Ensure submission of necessary gov't documentation
  - ◊ Annual Return

# FINANCE AND ACCOUNTING POLICY

- ◊ Guides financial management practices
- ◊ Helps meet the legal responsibilities of the organization
- ◊ High level, so you may need further procedures
  - ◊ Example segregation of duties

# FINANCE AND ACCOUNTING POLICY

- ◊ Purpose
- ◊ Budget
- ◊ Fiscal Year

# SIGNING OFFICERS

- ◊ Signers or approvers (if electronic banking), levels
- ◊ Expenses/receipts
- ◊ Credit Cards
- ◊ Expense “policy”, meals, mileage

# WHO COMMITS FRAUD?

\*According to the Association of Certified Fraud Examiners report to the nations 2021



Males 54%  
Females 46% (CAN)



University Degree (69%)



Employee-level (41%) or  
Manager-level (35%)



Never Charged or Convicted  
(89%)



Highest percentage – 30 to  
50 years old



Those who worked at org. at  
least 6 years, caused twice the  
loss of those with 5 years or less

# FRAUD PREVENTION

E.g.

- Board Treasurer
- Executive Director



# WHY?

**Rationalization**  
Justification of Dishonest  
Actions

**Pressure**  
Motivation or Incentive to  
Commit Fraud



**Opportunity**  
The Knowledge and Ability  
to Carry Out Fraud



# WHY DOES IT OCCUR IN NONPROFITS?

## Tangible

- ◊ Lack of internal controls (35%)\*
- ◊ Lack of management review (19%)\*
- ◊ Override existing controls (14%)\*

## Intangible

- ◊ Environment of trust
- ◊ Idea of shared MVV
- ◊ *Who would steal from a NP/charity???*

*\*Association of Certified Fraud Examiners*

# FRAUD/ERROR PREVENTION

- Set tone from the top (policies, statements, training)
- Screen, interview, reference check employees and volunteers
- Insist on original documents (bank & credit card statements)
- Insist on regular financial statements
- Move to online banking and remove cheque fraud
- Hire a professional to do the books
- Don't rely on the audit
- Don't rely on trust
- Risk management mindset

# ANY QUESTIONS?

- ◊ Next session Oct 25<sup>th</sup> – Will Russell

# CONTACT US

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